

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Northwestern State University
University of Louisiana System
State of Louisiana
Natchitoches, Louisiana

November 12, 2003



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**NORTHWESTERN STATE UNIVERSITY
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**
Natchitoches, Louisiana

Management Letter
Dated October 28, 2003

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court.

November 12, 2003



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October 28, 2003

NORTHWESTERN STATE UNIVERSITY
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA
Natchitoches, Louisiana

As part of our audit of the University of Louisiana System's financial statements for the year ending June 30, 2003, we considered Northwestern State University's internal control over financial reporting; we examined evidence supporting certain accounts and balances material to the System's financial statements; and we tested the university's compliance with laws and regulations that could have a direct and material effect on the System's financial statements as required by *Government Auditing Standards*. In addition, we considered Northwestern State University's internal control over compliance with requirements that could have a direct and material effect on a major federal program, as defined in the Single Audit of the State of Louisiana, and we tested the university's compliance with laws and regulations that could have a direct and material effect on the major federal programs as required by U.S. Office of Management and Budget Circular A-133.

The financial information provided to the University of Louisiana System by Northwestern State University is not audited or reviewed by us, and, accordingly, we do not express an opinion on that financial information. The university's accounts are an integral part of the University of Louisiana System's financial statements, upon which the Louisiana Legislative Auditor expresses an opinion.

Based on the application of the procedures referred to previously, one significant finding is included in this letter for management's consideration. All findings included in this management letter that are required to be reported by *Government Auditing Standards* will also be included in the State of Louisiana's Single Audit Report for the year ended June 30, 2003.

Failure to Submit a Document Retention
Schedule to State Archives

Northwestern State University failed to submit a document retention schedule to State Archives as required by state law. Louisiana Revised Statute 44:411(A)(1) requires the head of every agency to submit to the state archivist record retention schedules proposing the length of time each state record series warrants retention for administrative, legal, or fiscal purposes after it has been created or received by the agency.

LEGISLATIVE AUDITOR

**NORTHWESTERN STATE UNIVERSITY
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**

Management Letter, Dated October 28, 2003

Page 2

Management was not aware of the requirement to submit the required documentation to State Archives. Failure to submit and receive an approved retention schedule increases the risk of the untimely destruction of vital information that could be needed in the future or the university incurring excessive storage cost for documents that will never be needed.

Northwestern State University should obtain the necessary information to prepare and submit a suitable retention schedule to State Archives as soon as possible. Once the retention schedule is approved, it should be implemented immediately. Management concurred with the finding and recommendations and outlined a plan of corrective action (see Appendix A, page 1).

The recommendation in this letter represents, in our judgment, that most likely to bring about beneficial improvements to the operations of the university. The nature of the recommendation, its implementation costs, and its potential impact on the operations of the university should be considered in reaching decisions on courses of action. The finding, which relates to the university's compliance with applicable laws and regulations, should be addressed immediately by management.

This letter is intended for the information and use of the university and its management and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this letter is a public document and it has been distributed to appropriate public officials.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Grover C. Austin". The signature is fluid and cursive, with a large, stylized initial "G".

Grover C. Austin, CPA
First Assistant Legislative Auditor

BAC:WJR:dl

[NSU03]

Appendix A

Management's Corrective Action Plan and Response to the Finding and Recommendation



September 16, 2003

Mr. Grover C. Austin
First Assistant Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Failure to Submit a Document Retention Schedule to State Archives

Dear Mr. Austin:

In response to the above referenced finding, the university concurs with the finding and submits the following:

The following are those efforts, planned and in progress, being taken to bring Northwestern State University into compliance with Louisiana Revised statute 44:411 pertaining to Records Management.

- The University has designated the University Archivist, Ms. Mary Linn Wernet, as the University Records Officer.
- The Records Officer will consult with the Board of Supervisors and Board of Regents for specific guidance pertaining to records retention for higher education.
- The Records Officer will form a Records Management Committee comprised of representatives from primary university units.
- The Records Management Committee will develop a Records Management Manual in accordance with the associated statute.
- The Records Management Committee will conduct an inventory of records series within the university, research the retention requirements, and establish the university's records retention schedule. The Records Management Committee will periodically review the established retention schedule to accommodate any new records series created by the university.
- Dr. Jim McCrory, Director for Information Systems, has established a committee which is examining the use of imaging technology to facilitate electronic archiving and retrieval of records university-wide.

It is anticipated that a first draft of the University Records Management plan will be available by January 9, 2004 and the completed plan available February 20, 2004.

Sincerely,

Randall J. Webb
President